

FOR IMMEDIATE RELEASE

Department of Vermont Health Access
August 23, 2012

Contact: Lindsey Tucker

Contact Phone Number: 802-871-3097

Contact E-mail Address: Lindsey.Tucker@state.vt.us

Vermont Receives \$104.2 million Federal Grant to Continue Development of the State Health Benefit Exchange

WILLISTON – On August 23, 2012, the U.S. Department of Health and Human Services announced the award of \$104.2 million to the Department of Vermont Health Access in the form of a Level Two Establishment Grant for the continued development of its Health Benefit Exchange. The Exchange is a marketplace for individuals, families, and small businesses to compare and purchase qualified private health insurance plans, determine eligibility for and enroll in public health insurance plans, and access federal tax credits.

The Level Two Establishment Grant funding will primarily be used to develop IT, business, and outreach operations to support the critical functions of the Exchange. Vermont has successfully kept up with an aggressive federal milestone schedule, and is on target to begin open enrollment through the Exchange in October 2013.

Doug Racine, Secretary of the Vermont Agency of Human Services, said, “The Level Two Establishment Grant award provides us with the resources and flexibility needed to successfully establish our state’s Exchange—a critical step toward comprehensive, affordable coverage for all Vermonters.”

DVHA’s final Level Two Establishment Grant request was awarded in full. It is the third federal grant that Vermont has received to fund the development of the state’s Exchange. In 2011, Vermont received a Planning Grant and the state is currently operating on funds from the subsequent Level One Exchange Establishment Grant. The total federal funds awarded to date are \$123,269,334, which has allowed, and will continue to allow, the state to plan, implement, and operationalize the Exchange.

The Agency of Administration’s Director of Health Care Reform Robin Lunge said, “We are grateful for the continued support from the U.S. Department of Health and Human Services. DVHA staff is working diligently to ensure that our Exchange meets the expectations of Vermonters and helps them get the quality, affordable care they need.”

The Affordable Care Act requires that all states have a health insurance exchange. Vermont, along with other states that have chosen to operate their own Exchange, must function within federal requirements. However, the state is given flexibility in terms of implementation. The Vermont legislature passed Act 48 in 2011 and Act 171 in 2012, authorizing the creation of the state’s Exchange within DHVA, instituting changes to Vermont’s private health insurance market, and setting Vermont on its way towards a single-payer health care system.

###